

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 480 – SB 623

March 4, 2011

SUMMARY OF BILL: Adds as a violation of the Consumer Protection Act (CPA), which is a Class B misdemeanor, a contract provision waiving a right of lien. Prohibits a general contractor from requiring a subcontractor to waive lien rights as a condition of employment and from requiring a written contract stating the subcontractor will only receive payment for work if the general contractor receives payment for the project. Defines such requirements of a subcontractor as an unfair or deceptive act.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Department of Commerce and Insurance, any increase to the number of complaints will not be significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.
- A small increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes, and costs collected. These expenditures and revenue are estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "James W. White".

James W. White, Executive Director

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